

**BEFORE THE OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF COLORADO**

IN THE MATTER OF THE APPLICATION OF
KERR-MCGEE OIL & GAS ONSHORE LP FOR
AN ORDER TO POOL ALL INTERESTS IN AN
APPROXIMATE 480-ACRE DESIGNATED
WELLBORE SPACING UNIT IN SECTION 34,
TOWNSHIP 1 NORTH, RANGE 67 WEST, 6TH
P.M. AND SECTION 3, TOWNSHIP 1 SOUTH,
RANGE 67 WEST, 6TH P.M., FOR THE
CODELL FORMATION, WATTENBERG FIELD,
WELD AND ADAMS COUNTIES, COLORADO

CAUSE NO.

DOCKET NO.

APPLICATION

COMES NOW Kerr-McGee Oil & Gas Onshore LP ("Applicant"), by its attorneys, Jost & Shelton Energy Group, P.C., and makes this application to the Oil and Gas Conservation Commission of the State of Colorado ("Commission") for an order to pool all interests within an approximate 480-acre wellbore spacing unit for the drilling of the Grenemeyer 14C-3HZ Well, (API No. 05-123-38416) ("Well") for the development of the Codell Formation on the following described lands:

Township 1 North, Range 67 West, 6th P.M.
Section 34: E $\frac{1}{2}$ W $\frac{1}{2}$, W $\frac{1}{2}$ E $\frac{1}{2}$

Township 1 South, Range 67 West, 6th P.M.
Section 3: E $\frac{1}{2}$ W $\frac{1}{2}$

Weld and Adams Counties, Colorado (hereinafter "Application Lands").

In support thereof, Applicant states and alleges as follows:

1. Applicant is a corporation duly authorized to conduct business in the State of Colorado, and is a registered operator in good standing with the Commission.
2. Applicant owns certain leasehold interests in the Application Lands.
3. On February 19, 1992, the Commission entered Order No. 407-87 (amended August 20, 1993), which among other things, established 80-acre drilling and spacing units for the production of oil and/or gas from the Niobrara Formation underlying certain lands, with the permitted well locations in accordance with the provisions of Order No. 407-1 and allowed downhole commingling of production from the Codell and Niobrara Formations.

4. On April 27, 1998, the Commission adopted Rule 318A, which, among other things, allowed certain drilling locations to be utilized to drill or twin a well, deepen a well or recomplete a well and to commingle any or all of the Cretaceous Age Formations from the base of the Dakota Formation to the surface. On December 5, 2005, Rule 318A was amended to allow interior infill and boundary wells to be drilled and wellbore spacing units to be established. On August 8, 2011, Rule 318A was again amended to, among other things, address drilling of horizontal wells.

5. Applicant designated the 480-acre wellbore spacing unit, as defined below, for the production of oil, gas, and associated hydrocarbons from the Codell Formation pursuant to Rule 318A. and notified the appropriate parties under Rule 318A.

6. Applicant, pursuant to Commission Rule 530 and/or the provisions of C.R.S. § 34-60-116 (6) and (7), hereby requests an order to pool all interests, including but not limited to, any nonconsenting interests, in the Application Lands in the Codell Formation underlying the following approximate 480-acre designated wellbore spacing unit:

Township 1 North, Range 67 West, 6th P.M.
Section 34: E $\frac{1}{2}$ W $\frac{1}{2}$, W $\frac{1}{2}$ E $\frac{1}{2}$,

Township 1 South, Range 67 West, 6th P.M.
Section 3: E $\frac{1}{2}$ W $\frac{1}{2}$

(hereafter "Wellbore Spacing Unit").

7. Applicant requests that the Commission's pooling order be made effective as of the earlier of the date of this Application, or the date that the costs specified in C.R.S. § 34-60-116(7)(b) are first incurred for the drilling of the Well to the Codell Formation on the Application Lands.

8. Applicant certifies that copies of this Application will be served on all persons owning an interest in the mineral estate of the tracts to be pooled within seven (7) days of the date hereof, as required by Rule 507.b(2), and that at least thirty (30) days prior to the hearing on this matter, each such interest owner not already leased or voluntarily pooled will be offered the opportunity to lease, or to participate in the drilling of the Well, and will be provided with the information required by Rule 530 as applicable. The list of such interested parties is attached hereto as Exhibit A.

9. That in order to prevent waste and to protect correlative rights, all interests in the Wellbore Spacing Unit should be pooled for the orderly development of the Codell Formation, including any nonconsenting interests therein.

WHEREFORE, Applicant requests that this matter be set for hearing at the next available opportunity, that notice be given as required by law, and that upon such hearing, the Commission enter its order:

A. Pooling all interests in the Application Lands and the Wellbore Spacing Unit for the development of the Codell Formation.

B. Providing that the Commission's pooling order is made effective as of the earlier of the date of this Application, or the date that any of the costs specified in C.R.S. § 34-60-116(7)(b) are first incurred for the drilling of the Well in the Wellbore Spacing Unit to the Codell Formation on the Application Lands.

C. Providing that the interests of any owners with whom the Applicant has been unable to secure a lease or other agreement to participate in the drilling of the Well are pooled by operation of statute, pursuant to C.R.S. § 34-60-116(6) and (7), and made subject to the cost recovery provisions thereof with respect to the Well drilled to develop the Codell Formation in the Wellbore Spacing Unit comprising the Application Lands.

D. For such other findings and orders as the Commission may deem proper or advisable in this matter.

WHEREFORE, Applicant respectfully requests that this matter be set for hearing in March 2014, that notice be given as required by law, and that upon such hearing, the Commission enter its order consistent with Applicant's request as set forth above.

Dated: January 16, 2014.

Respectfully submitted:

Kerr-McGee Oil & Gas Onshore LP

By: 

Jamie L. Jost

Joseph M. Evers

Jost & Shelton Energy Group, P.C.

Attorneys for Applicant

1675 Larimer St., Suite 1400

Denver, Colorado 80202

(720) 379-1812

Applicant's Address:

Kerr-McGee Oil & Gas Onshore LP

ATTN: Rachel Cruz


1099 18th Street, Suite 1800

Denver, CO 80202

VERIFICATION

STATE OF COLORADO)
) ss.
CITY AND COUNTY OF DENVER)

John P. Esbeck of lawful age, being first duly sworn upon oath, deposes and says that he/she is Landman for Kerr-McGee Oil & Gas Onshore LP, and that he/she has read the foregoing Application and that the matters therein contained are true to the best of his/her knowledge, information and belief.


Name: John P. Kerr
Title: Sr. Staff land man
Kerr-McGee Oil & Gas Onshore LP

Subscribed and sworn to before me this 15th day of January 2014.

Witness my hand and official seal.

[SEAL]



My commission expires: 10/17/2016


Notary Public

IN THE MATTER OF THE APPLICATION OF
KERR-MCGEE OIL & GAS ONSHORE LP FOR
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APPROXIMATE 480-ACRE DESIGNATED
WELLBORE SPACING UNIT IN SECTION 34,
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RANGE 67 WEST, 6TH P.M., FOR THE
NIOBRARA FORMATION, WATTENBERG
FIELD, WELD AND ADAMS COUNTIES,
COLORADO

DOCKET NO.

STATE OF COLORADO)
)ss.
CITY AND COUNTY OF DENVER)


Jamie L. Jost

My commission expires:

9/18/17

Lanella Carroll
Notary Public

DANIELLE E CARROLL
Notary Public
State of Colorado
Notary ID 20134059312
My Commission Expires Sep 18, 2017

EXHIBIT A

Andrew S. Gordon and
Michelle A. Gordon, joint tenants
16085 Lomand Circle
Brighton, CO 80601

Arnold Grenemyer Sr., and
Arnold Grenemyer Jr., joint tenants
9738 Weld County Road 4
Brighton, CO 80601

Barbara L. Miller and
Terry J. Miller, joint tenants
16104 Lomand Circle
Brighton, CO 80602

Brad L. MacDonald and
Jean L. MacDonald, joint tenants
16083 Hi Land Circle
Brighton, CO 80602

Charles E. Blood and
Bonnie A. Blood, joint tenants
16052 Hi Land Circle
Brighton, CO 80601

Charles E. Malarkey and
Karyl A. Northrop, joint tenants
16134 Lomand Circle
Brighton, CO 80602

Charles N. Owens
16065 Lomand Circle
Brighton, Adams County, CO-80602

Clifford S. Wagner
638 Weld County Road 19
Brighton, CO 80603

Corey L. Clark and
Jaime N. Clark, joint tenants
16073 Hi Land Circle
Brighton, CO 80602

Daniel Lee Boyd
16044 Lomand Circle
Brighton, CO 80602

David G. Eberle and
Loretta J. Eberle, joint tenants
9485 E. 161st Ave
Brighton, CO 80602

David R. Hood, Jr.
16155 Lomand Circle
Brighton, CO 80601

Dennis J. King and
Kathleen M. King, joint tenants
16042 Hi Land Circle
Brighton, CO 80602

Donald E. Salthouse and
Shirly L. Salthouse, joint tenants
1000 W 112th Ave. Unit 303
Denver, CO 80234

Donna Baysinger
1957 Midland Place
Brighton, CO 80601

E. Errol Ketterling and
Sheila M. Ketterling, joint tenants
16064 Lomand Circle
Brighton, CO 80601

Edward J. Ehrmann and
Vicki M. Ehrmann, joint tenants
9445 East 161st Avenue
Brighton, CO 80601

Edwin G. Grenemyer
4804 Weld County Road 13
Dacono, CO 80514

Estate of Robert L. Seltzer,
Jack Seltzer and Timothy R. Seltzer,
Co-Personal Representatives
33641 Weld County Road 83
Briggsdale, CO 80611

Frank L. Pelver
16164 Dallas St,
Brighton, CO 80602

Galen R. Kessler and
Janet N. Kessler, joint tenants
16162 Hi Land Circle
Brighton, CO 80602

George M. Young and
Karen M. Young, joint tenants
16075 Lomand Circle
Brighton, CO 80602

Gerald M. Krier and
Mary Elaine Krier, joint tenants
16143 Hi Land Circle
Brighton, CO 80601

Glen E. Delventhal and
Doris Delventhal, joint tenants
16045 Lomand Circle
Brighton, CO 80602

Howard Bruce Gardner
16145 Lomand Circle
Brighton, CO 80601-7519

James C. Klinger and
Pauline C. Klinger, joint tenants
16175 Lomand Circle
Brighton, CO 80601

James Kiyota and
Frances T. Kiyota, joint tenants
16103 Hi Land Circle
Brighton, CO 80601

James P. Zagel and
P. Jean Zagel, joint tenants
16168 Dallas Street
Brighton, CO 80602

James R. Delcamp and
Barbara J. Delcamp, joint tenants
16185 Lomand Circle
Brighton, CO 80601

Jeffrey J.B. Morgan
9465 E. 161st Ave.
Brighton, CO 80602

Jeffrey J.B. Morgan
1787 Walnut Drive
Brighton, CO 80601

Justin D. Dersham
1206 WCR 23 3/4 RD
Brighton, CO 80601

Karen B. Lemke
16114 Lomand Circle
Brighton, CO 80602

Karen B. Lemke
577 Eastern Ave
Brighton, CO 80601

Kenneth R. Wagner
648 Weld County Road 19
Brighton, CO 80603

Kenneth W. Wilson,
Trustee of the Lillian Eva Wilson Family
Trust
dated March 25, 2011
19001 N 29th Place
Phoenix, AZ 85050

Lawrence R. Smith and
Shirley R. Smith, joint tenants
353 Bolt View RD
Grants Pass, OR 97527

Linda Abrahamson and
William D. Blanchard, joint tenants
16123 Hi Land Circle
Brighton, CO 80602

Lois B. Lesser
P.O. Box 65
Brighton, CO 80601

Lora E. Dersham
1206 Weld County Road 23 3/4
Brighton, CO 80601

Lori Christine Hight and
Douglas Hight, joint tenants
16074 Lomand Circle
Brighton, CO 80602-7518

Mark A. Parrish and
Kristine A. Parrish, joint tenants
9414 East 161st Place
Brighton, CO 80601

Mark R. Stevens and
Ron J. Stevens, joint tenants
9832 Hwy 52
Fort Lupton, CO 80621

Matthew T. Hall
16072 Hi Land Circle
Brighton, CO 80602

Michael D. Ballinger and
Geraldine C. Schasny, joint tenants
16144 Lomand Circle
Brighton, CO 80602

Michael F. Smith and
Diane M. Smith, joint tenants
9520 East 160th Avenue Place
Brighton, CO 80601

Michael R. Bradley, Trustee of the
Michael R. Bradley Living Trust
dated March 16, 2004
16033 Hi Land Circle
Brighton, CO 80601

Nasser Haji-Sarvestni
2071 Wheat Berry Court
Erie, CO 80516

Paul A. Dill and
Christine L. Dill, joint tenants
16053 Hi Land Circle
Brighton, CO 80602

Richard W. Hall and
Jacqueline Hall, joint tenants
16115 Lomand Circle
Brighton, CO 80602-7519

Ricky L. Reid and
Patricia Reid, joint tenants
16043 Hi Land Circle
Brighton, CO 80602

Robert E. Schlosser and
Susan R. Schlosser, joint tenants
9 David Ave.
Gillette, WY 82718

Robert G. Young and
Carol L. Young, joint tenants
3303 Lee Pkwy Ste 420
Dallas, TX 75219-5197

Robert L. Seltzer Family Trust
33641 Weld County Rd. 83
Briggsdale, CO 80611

Robert Raymond Heim and
Kimberly A. Fillenberg, joint tenants
16102 Hi Land Circle
Brighton, CO 80602

Rueben Alan Derr and
Katherine Lee Derr, joint tenants
16125 Lomand Circle
Brighton, CO 80601

Seltzer Farms, Inc.
9390 168th Avenue
Brighton CO 80601

Sherri C. Carter
16155 Lomand Circle
Brighton, CO 80601

T.E. McClintock T/W
fbo Elizabeth Nikoloric,
Colorado State Bank & Trust, NA Trustee
P.O. Box 1588
Tulsa, OK 74101

T.E. McClintock T/W
fbo Mary M. Swift,
US Bank, NA Trustee
P.O. Box 1588
Tulsa, OK 74101

The Hi-Land Acres
Water and Sanitation District
P.O. box 218
Brighton, CO 80601

The Successors of the
Lomand Development Corporation
No Address Found

Total-Auto Coverage Corporation
9315 E. 160th Ave.
Brighton, CO 80602

Frederick D. Johnson and
Sallie R. Johnson, joint tenants
16172 Dallas Street
Brighton, CO 80602-7512

Kerr-McGee Oil & Gas Onshore LP
P.O. Box 173779
Denver, CO 80217-3779

Kerr-McGee Oil & Gas Onshore LP
P.O. Box 173779
Denver, CO 80217-3779

Encana Oil & Gas (USA) Inc.
370 17th Street, Suite 1700
Denver, CO 80202

Robert S. Pirtle
P.O. Box 1310
Tyler, TX 75710-1310

BGSPE Energy, Ltd.
P.O. Box 509
Tyler, TX 75710-0509

Swan Exploration, LLC
8100 E. Maplewood Ave., Suite 240
Greenwood Village, CO 80111

Martin J. Harrington, Jr.
2236 S. Jackson Street
Denver, CO 80210

Pirtle Properties, L.P.
3006 Concord Place
Tyler, TX 75701

Edward F. Wallace, Jr.
P.O. Box 3585
McAllen, TX 78502

Holden H. Wallace
P.O. Box 325
Winnsboro, TX 75494

Janet H. Wallace, Jr.
(nka Janet Yancy)
3821 Shenandoah Street
Dallas, TX 75205

John C. Wallace
10662 Pike Road
Longmont, CO 80504

Sally W. Crawford
3517 St. Johns Drive
Dallas, TX 75205

William H. Wilson, Jr.
1800 St. James Place, Suite 400
Houston, TX 75494